

TOWNSHIP OF SOUTHAMPTON

ORDINANCE NO. 2022-09

**AN ORDINANCE REPEALING, REPLACING AND AMENDING PORTIONS OF
CHAPTER 8 OF THE CODE OF THE TOWNSHIP OF SOUTHAMPTON
CONCERNING VACANT AND ABANDONED PROPERTIES**

WHEREAS, Chapter 8 of the Township of Southampton Code requires registration of vacant and abandoned properties to prevent blight throughout the community; and

WHEREAS, New Jersey recently adopted P.L. 2021, c.444, permitting municipalities to establish notice requirements for commercial and/or residential properties in foreclosure; and

WHEREAS, as a way to address property deterioration, P.L. 2021, c.44 also authorizes municipalities to establish registries for properties in foreclosure and vacant and abandoned properties subject to foreclosure; and

WHEREAS, P.L. 2021, c.444 provides definitions, notice and registration requirements, violations, fees, and penalties for foreclosure and vacant and abandoned registries;

WHEREAS, the Township Committee of the Township of Southampton seeks to amend the current vacant and abandoned property ordinance to implement the provisions of P.L. 2021, c.444; and

WHEREAS, the Township Committee of the Township of Southampton finds that the implementation of the revised portions of Chapter 8 will assist the Township of Southampton in protecting neighborhoods from the deleterious effects of blight resulting from vacant and abandoned properties.

NOW, THEREFORE, BE IT ORDAINED AND ENACTED by the Township Committee of the Township of Southampton, County of Burlington, State of New Jersey, that Chapter 8 of the Township of Southampton Code is hereby amended as follows:

ARTICLE I.

Sections 8-7.9 through 8-7.16 of the Township of Southampton Code are hereby repealed and replaced to read as follows:

“§ 8-7.9 Vacant and Abandoned Properties: Notice, Registration, and Fess.

Notwithstanding the requirements of Sections 8-7.1 through 8-7.8, Chapter 8 is hereby amended to add the following: “Vacant and Abandoned Properties: Notice, Registration, and Fees.” The following Sections, 8-7.9 through 8-7.15, are hereby incorporated into this amendment.

§ 8-7.10 Purpose and Intent.

It is the intent of Sections 8-7.9 through 8-7.15, to enable the Township of Southampton to engage in the identification, registration, monitoring, and mitigation of properties that are or may become vacant and abandoned to the fullest extent permitted by P.L. 2021, c.444, in order to combat the immeasurable and deleterious effects of blight arising from residential and commercial properties that become vacant or abandoned during the foreclosure process.

§ 8-7.11 Definitions.

All words, terms, and phrases used within Sections 8-7.9 through 8-7.15 shall be defined and interpreted consistent with their meanings as outlined within P.L. 2021, c.444, as may be amended from time to time.

- a. A “creditor” shall mean: a State chartered bank, savings bank, savings and loan association or credit union, any person required to be licensed under the provisions of the “New Jersey Residential Mortgage Lending Act,” sections 1 through 21 39 of P.L.2009, c.53 (C.17:11C-51 through C.17:11C-89), and any entity, agent, or assignee acting on behalf of the creditor named in the debt obligation including, but not limited to, servicers, who has filed a complaint in the Superior Court seeking to foreclose upon a residential or commercial mortgage. A creditor shall not include the State, a political subdivision of the State, or a State, county, or local government entity, or their agent or assignee, such as the servicer.
- b. A property shall be deemed “vacant and abandoned” for purposes of Sections 8-7.9 through 8-7.15 if:
 1. The property is not legally occupied by a mortgagor or tenant, and
 2. The property cannot be legally reoccupied, because of at least two (2) of the following conditions:
 - (a) overgrown or neglected vegetation;
 - (b) the accumulation of newspapers, circulars, flyers, or mail on the property;
 - (c) disconnected gas, electric, or water utility services to the property;
 - (d) the accumulation of hazardous, noxious, or unhealthy substances or materials on the property;
 - (e) the accumulation of junk, litter, trash, or debris on the property;
 - (f) the absence of window treatments such as blinds, curtains, or shutters;
 - (g) the absence of furnishings and personal items;
 - (h) statements of neighbors, delivery persons, or government employees indicating that the property is vacant and abandoned;

- (i) windows or entrances to the property that are boarded up or closed off, or multiple window panes that are damaged, broken, and unrepaired;
- (j) doors to the property that are smashed through, broken off, unhinged, or continuously unlocked;
- (k) a risk to the health, safety, or welfare of the public or any adjoining or adjacent property owners due to acts of vandalism, loitering, criminal conduct, or the physical destruction or deterioration of the property;
- (l) an uncorrected violation of a municipal building, housing, or similar code during the preceding year, or an order by municipal authorities declaring the property to be unfit for occupancy and to remain vacant and unoccupied;
- (m) the mortgagee or other authorized party has secured or winterized the property due to the property being deemed vacant and unprotected or in danger of freezing;
- (n) a written statement issued by a mortgagor expressing the clear intent of all mortgagors to abandon the property; or
- (o) any other reasonable indicia of abandonment.

§ 8-7.12 Establishment and Administration of Registry.

- a. The Township of Southampton shall create and maintain a registry of all commercial and/or residential properties within the Township of Southampton's boundary for which a summons and complaint in an action to foreclose has been filed with the New Jersey Superior Court, pursuant to its authority granted by P.L. 2021, c.444. This registry will be formed and maintained to assist the Township with regulating the maintenance, security, and upkeep of properties which may become vacant and abandoned during the foreclosure process, in order to prevent the deleterious effects of blight associated with vacant and abandoned properties that are not maintained.
- b. The Township of Southampton may, at its discretion, create, maintain, and administer this registry independently, retain the professional services of a third party pursuant to the Local Public Contracts Law, N.J.S.A. 40A:11-1, et seq., or participate in a Shared Services Agreement with other local units, Counties, and/or County Improvement Authorities for the creation, maintenance, and administration of the registry pursuant to the Uniform Shared Services and Consolidation Act, N.J.S.A. 40A:65-1 et seq.
- c. Any third parties retained to create, maintain, and/or administer the registry shall have the authority, on behalf of the Township of Southampton, to:
 - 1. Identify properties subject to the registration requirement;

2. Maintain and update the registration list;
 3. Communicate with creditors and/or in-state representatives;
 4. Invoice and collect payment of fees;
 5. Monitor compliance; and
 6. Such other functions, within the scope of P.L. 2021, c.444, which may be deemed necessary to carry out its function on behalf of the Township.
- d. Any third parties retained to create, maintain, and/or administer the registry shall be required to comply with the following reporting and payment requirements:
1. Any and all amounts collected by the third party as part of its administration of the Township of Southampton's registry, including registration fees, interest, and penalties, shall be paid, in full, directly to the Township of Southampton, Burlington County and/or the County Improvement Authority, as applicable, not less than once per year, or as otherwise directed by the Township of Southampton Administrator. No fees, payments, expenses, or other deductions shall be made from this payment; payment for any third party's services under Sections 8-7.9 through 8-7.15 shall be made by the Township of Southampton, or as applicable, Burlington County or the County Improvement Authority, directly to the third party, under the terms and conditions outlined within the contract for professional services.
 2. Not less than once per year on the first business day of each calendar year, or as otherwise may be requested by the Tax Collector, any third party administering the Township of Southampton's registry shall file with Tax Collector a certification identifying:
 - (a) The address, block, lot, and contact information of any property for which registration fees under Sections 8-7.9 through 8-7.15 are due and owing at the time of the certification;
 - (b) The amount of the registration fees, and separately, any interest, fines, and other penalties due and owing at the time of the certification; and
 - (c) The date on which the property became eligible for inclusion on the Township of Southampton's registry.
- e. The Township Administrator or his/her designee shall serve as the Township of Southampton Official responsible for notifying creditors, establishing and maintaining the registry, determining eligibility for designation as a vacant and abandoned property pursuant to Sections 8-7.9 through 8-7.15, and for imposing fees, penalties, and/or

violations. The responsibilities herein may be designated to a third party, pursuant to the terms and conditions of a contract for professional services consistent with P.L. 2021, c.444.

§ 8-7.13 Registration, Notice and other Creditor Requirements.

- a. Within 30 days of the effective date of this Ordinance, any creditor who has initiated a summons and complaint with the New Jersey Superior Court in an action to foreclose on a commercial and/or residential mortgage for a property located within the Township of Southampton: (i) prior to the effective date of this Ordinance, and (ii) which is pending as of the effective date of this Ordinance, shall provide notice in accordance with subsection (b) of Section 8-7.13.
- b. Within 10 days of filing a summons and complaint with the New Jersey Superior Court in an action to foreclose on a commercial and/or residential mortgage for a property located within the Township of Southampton, the creditor shall notify the Office of the Township Clerk, or his/her designee, of the action. Such notice shall include:
 1. The address, block, and lot of the subject property;
 2. The date the summons and complaint in an action to foreclose on a mortgage was filed against the subject property, the court in which it was filed, and the docket number of the filing;
 3. Whether the property is vacant and abandoned in accordance with the definition in Section 8-7.11 (Definitions);
 4. The full name, address, and telephone number for the representative of the creditor who is responsible for receiving notice of complaints of property maintenance and code violations;
 5. The full name, address, and telephone number of any person or entity retained by the creditor or a representative of the creditor to be responsible for any care, maintenance, security, or upkeep of the property; and
 6. If the creditor is out-of-State, the full name, address, and telephone number of an in-State representative or agent who shall be responsible for any care, maintenance, security, or upkeep of the property, and for receiving notice complaints of property maintenance and code violations.
 7. The notice requirements herein represent a continuing obligation throughout the pendency of the foreclosure action. After initial notice to the Township, creditors subject to the notice requirement shall update the Township of

Southampton's property registration program within 10 days of any change in the information contained in the original or any subsequent notices.

c. Creditors of any commercial and/or residential mortgage required to notify the Township pursuant to this section shall:

1. Register the property with the Township of Southampton's property registration program as a property in foreclosure, within 30 days of notifying the Township; and
2. Be subject to the registration fee, notice requirements, and penalties for non-compliance established within Sections 8-7.9 through 8-7.15; and
3. Update the property registration within 10 days of any change in the information contained in the original notice to the Township; and
4. If an out-of-State creditor, appoint an in-state representative or agent to act for the foreclosing creditor, whose contact information shall be contained within the initial notice to the Township; and
5. Within 10 days of the property becoming vacant and abandoned at any time during the pendency of the foreclosure action, the creditor shall:
 - (a) Assume responsibility for the care, maintenance, upkeep, and security of the exterior of the property;
 - (b) Secure the property against unauthorized entry;
 - (c) Post a sign on the inside of the property, visible to the public, containing the name, address, and telephone number of the creditor, or an out-of-State creditor's in-State representative or agent, for the purpose of receiving service of process;
 - (d) Acquire & maintain a vacancy insurance policy which covers any damage to any person or any property caused by any physical condition of the property while registered with the Township of Southampton's property registration program;
 - (e) Provide proof, within 10 days of receiving a request by the Township of Southampton or its designee, that the above conditions have been satisfied.
 - (f) Cure any violations of the above requirements within 30 days of receiving a notice of violation, or if deemed to present an imminent threat to public health and safety, within 10 days of receiving such notice.

- d. If at any time the creditor is deemed to be in violation of the above requirements, and/or if the property is deemed to be in violation of any other applicable local or state maintenance, health, or safety codes, the Code Official or his/her designee shall notify the creditor using the contact information provided in the property registry established by Sections 8-7.9 through 8-7.15.

§ 8-7.14 Fees, Violations and Penalties.

- a. All fees, penalties, and/or fines established within Sections 8-7.9 through 8-7.15 and assessable pursuant to the Township's authority outlined within P.L. 2021, c.444 shall be deemed a municipal charge in accordance with N.J.S.A. 54:5-1, et seq.
- b. Creditors required to notify the Township of Southampton and register a property as one in foreclosure shall be required to pay the following annual registration fee, per property, due at the time of registration: \$250.00.
- c. If a property registered with the Township of Southampton's registration program as a property in foreclosure is vacant and abandoned at the time of registration, or becomes vacant and abandoned at any time during the pendency of the foreclosure proceeding, the creditor shall pay an additional annual registration fee, per property, due at the time the determination that the property is vacant and abandoned is made, of: \$2,000.00.
- d. Violations
 1. An out-of-State creditor subject to the notice and registration requirements of Sections 8-7.9 through 8-7.15, found to be in violation of the requirement to appoint an in-State representative or agent, shall be subject to a fine of \$2,500 for each day of the violation. The violation shall be deemed to commence on the day after the creditor's initial 10 or 30-day requirement to notify the Township of applicable foreclosure actions.
 2. A creditor subject to the notice and registration requirements of Sections 8-7.9 through 8-7.15, found to be in violation of any part of Sections 8-7.9 through 8-7.15 (with the exception of a violation pursuant to sub-section (d)(1) if this Section 8-7.14), shall be subject to a fine of \$1,500 for each day of the violation. The violation shall be deemed to commence on the 31st day following the creditor's receipt of a notice of violation, or if deemed to present an imminent threat to public health and safety, on the 11th day following the creditor's receipt of such notice.
- e. If Township of Southampton expends public funds in order to abate a nuisance or correct a violation on a commercial property in situations in which the creditor was given notice pursuant to Sections 8-7.9 through 8-7.15, but failed to abate the nuisance

or correct the violation as directed, the Township shall have the same recourse against the creditor as it would have against the title owner of the property, including but not limited to the recourse provided under N.J.S.A. 55:19-100, et seq.

§ 8-7.15 Fines and Penalties to be Considered Cumulative.

The fines and penalties established within Sections 8-7.9 through 8-7.15 shall be considered cumulative, and not superseding, as a remedy available to the Township of Southampton in addition to those which may also apply under any other applicable Township of Southampton ordinance, or other applicable local, County, or State law or regulation.

ARTICLE II.

REPEALER, SEVERABILITY, PROCESS AND EFFECTIVE DATE.

- A. Repealer. Ordinances or provisions thereof inconsistent with the provisions of this Ordinance shall be and are hereby repealed to the extent of such inconsistency.
- B. Severability. In the event that any clause, section, paragraph or sentence of this Ordinance is deemed to be invalid or unenforceable for any reason, then the Township Committee hereby declares its intent that the balance of the Ordinance not affected by said invalidity shall remain in full force and effect to the extent that it allows the Township to meet the goals of the Ordinance.
- C. Effective Date. This Ordinance shall take effect immediately upon adoption and publication in the manner prescribed by law.

SOUTHAMPTON TOWNSHIP COMMITTEE

ACTION ON INTRODUCTION:

Motion made by:

Heston

Motion seconded by:

Young

VOTE:

Committeeman Heston:	<u>Yes</u>	No	Abstain	Not Present
Committeeman Raftery:	<u>Yes</u>	No	Abstain	Not Present
Deputy Mayor Rossell:	<u>Yes</u>	No	Abstain	Not Present
Committeeman Young, Sr.:	<u>Yes</u>	No	Abstain	<u>Not Present</u>
Mayor Mikulski:	Yes	No	Abstain	<u>Not Present</u>

ACTION ON ADOPTION (after public hearing)

Motion made by: _____

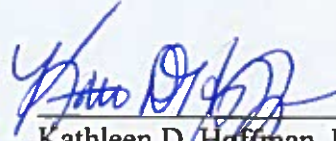
Motion seconded by: _____

VOTE:

Committeeman Heston:	Yes	No	Abstain	Not Present
Committeeman Raftery:	Yes	No	Abstain	Not Present
Deputy Mayor Rossell:	Yes	No	Abstain	Not Present
Committeeman Young, Sr.:	Yes	No	Abstain	Not Present
Mayor Mikulski:	Yes	No	Abstain	Not Present

CERTIFICATION

I HEREBY CERTIFY that the foregoing is a true copy of the ordinance that was introduced after first reading at a meeting of the Southampton Township Committee held on July 19, 2022 and adopted after a public hearing at a meeting of the Southampton Township Committee held on _____ 2022.



Kathleen D. Hoffman, RMC
Township Clerk/Administrator